UNITED NATIONS
ECONOMIC AND SOCIAL COUNCIL

Distr.: GENERAL

E/ECA/CM.13/22
15 April 1987

Original: ENGLISH

ECONOMIC COMMISSION FOR AFRICA

Eighth meeting of the Technical Preparatory Committee of the Whole

Addis Ababa, Ethiopia
13-20 April 1987

Item 8 of the provisional agenda*

ECONOMIC COMMISSION FOR AFRICA

Twenty-second session of the Commission/ thirteenth meeting of the Conference of Ministers

Addis Ababa, Ethiopia
23-27 April 1987

Item 6 of the provisional agenda**

GMAIRCB.

REPORT ON THE PREPARATIONS FOR UNIDO II

* E/ECA/TPCW.8/1.
** E/ECA/CM.13/1.

87-968

Special Session, which could be held in Addis Ababa, the Headquarters of ECA, or Nairobi since Kenya, at the Eighth Conference of African Ministers of Industry, has expressed the possibility of holding the meeting.

4. The purpose of this paper, therefore, is to provide (i) background information on the preparatory activities underway in Africa for the Second General Conference of UNIDO and (ii) an overview of problems related to the agenda items proposed by the Eighth Conference of African Ministers of Industry and which are of relevance to the industrial development efforts of African countries. The present meeting may wish, in the light of the information provided, to recommend to the Special Session of the Conference of African Ministers of Industry specific issues on which particular emphasis should be put.

II. PREPARATORY ACTIVITIES

1. Industrial Development Board of UNIDO

5. As indicated above, the Industrial Development Board of UNIDO met in Vienna, Austria from 13 to 23 October 1986 to decide on the agenda items of the Second General Conference of UNIDO. However, there was no agreement on the agenda among various groups of countries and it was decided that the issue will be taken up again by the next meeting of the Board. This situation made it difficult for the secretariats of ECA, OAU and UNIDO to implement fully the decision of the Eighth Conference of African Ministers of Industry to prepare and present to the Special Session of the Conference of African Ministers of Industry proposals for the African Common Position based on the agenda for the Second General Conference. However, as it will be explained later, such Common Position is under preparation on the basis of the issues highlighted by the Eighth Conference of African Ministers of Industry.

2. Joint Committee of the ECA, OAU and UNIDO Secretariats on IDDA

6. The Sixth Regular Meeting of the Joint Committee of the ECA, OAU and UNIDO secretariats held at ECA Headquarters in Addis Ababa, EThiopia from 18 to 20 February 1987 also reviewed the process of preparation for the Second General Conference of UNIDO. Specifically, the meeting discussed modalities for implementing the decisions of the Eighth Conference of African Ministers of Industry with respect to the Special Session.

7. The meeting recommended that, since the agenda for UNIDO II had not yet been agreed upon, the three secretariats should proceed with the preparation of the African Common Position on the basis of the items proposed by the Eighth Conference of African Ministers of Industry. The draft document that could be prepared will be adjusted as and when the agenda of UNIDO II will be decided upon by the Industrial Development Board of UNIDO. The meeting further recommended that the African Group in Vienna should continue negotiations with other regional groups to ensure that the above items are included in the agenda for UNIDO II.

3. The Permanent Steering Committee of the OAU

8. The issue of the Second General Conference of UNIDO was also presented to the Seventh Regular Meeting of the Permanent Steering Committee of OAU held in Addis Ababa, Ethiopia from 2 to 3 March 1987. On the basis of the information provided by the three secretariats of ECA, OAU and UNIDO the Permanent Steering Committee of the OAU discussed various issues related to the Preparation for UNIDO II.

9. The Permanent Steering Committee endorsed the recommendations of the Joint Committee of ECA, OAU and UNIDO secretariats on IDDA with respect to the preparation process of the African Common Position. They also called on all OAU member States of the Industrial Development Board of UNIDO to participate effectivelh in the inter-group negotiations and consultations in Vienna, so as to reflect Africa's concern with regard to the Agenda of UNIDO II. The need for logistic and technical support by the Secretariats of ECA, OAU and UNIDO thought those negotiations was also emphasized by the Permanent Steering Committee.

III. OVERVIEW OF PROBLEMS RELATED TO THE AGENDA ITEMS PROPOSED BY THE EIGHTH CONFERENCE OF AFRICAN MINISTERS OF INDUSTRY

10. The proposal by the Eighth Conference of African Ministers of Industry to include specific items in the agenda of the Second General Conference of UNIDO was aimed at ensuring that the Organization's future activities are directed towards Africa's industrialization in the context of the IDDA. It was also aimed at sensitizing the International Community to the need of the African region as contained in Africa's Priority Programme for Economic Recovery and Development 1986-1990 (APPER) and the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 (UN-PAAERD). In both programmes, the role of Industry has stressed especially in support to the recovery and development of the agricultural sector. The following review the basic issues related to items proposed by the Eighth Conference of African Ministers of Industry.

1. The Programme for the Industrial Development Decade for Africa

11. The Eighth Conference of African Ministers of Industry requested the three secretariats of ECA, OAU and UNIDO to prepare a mid-term evaluation of the IDDA to be submitted to Ninth Conference in 1988. In addition, two IDDA-related documents have been prepared and submitted to the Eighth Meeting of TEPCOW namely (i) The Sixth Joint ECA/OAU/UNIDO progress report on the activities of the three secretariats for the Implementation of the IDDA and (ii) Problems and constraints to the implementation of the programme for the Industrial Development Decade for Africa, E/ECA/CM.13/21. Both documents point to little progress achieved in the implementation of the IDDA. The reasons for such situation, there is, undoubtedly the insufficient attention given to the IDDA programme by the International Community.

12. The main constraints related to the implementation of the Decade programme have been mainly the inadequacy of financial resources, the insufficiency of skilled manpower and the shortage of required technological capabilities. When adopting the Decade programme, the International Community had agreed to complement African countries' own efforts especially in the above areas. Five years after the adoption of the Decade programme, and in spite of tremendous efforts by some member States, Africa still depends heavily on developed countries in such areas as petro-chemicals, pharmaceutical and capital goods. As a result, the continent still imports a large part of its manufactured goods thus widening further the already large trade deficit and worsening Africa's external indebtedness. The main issue to be addressed at the forthcoming UNIDO II is the devising of ways and means of reversing the above trends. In this regard it was recognized by the Eighth Conference of African Ministers of Industry that a Second IDDA would have to be proclaimed with specific targets to be achieved and concrete commitments by the International Community.

13. The International Community should therefore be urged to adopt a more positive attitude towards industrialization of Africa along the lines contained in the Lagos Plan of Action and the programme for the Decade. Technical assistance in the development of human resources and technological capabilities to assist African countries, African intergovernmental organizations, are the basic self-sustained industrial base in Africa.

2. The contribution of UNIDO to the restructuring and rehabilitation of African Industry as well as the negotiation of new industrial projects

14. The drought-related economic crisis that confronted most of the African countries during the period 1984-1986 has also had disastrous consequences on African industries. The shortage of industrial raw materials and the shortage of foreign exchange resources resulting in the inability of African countries to import the necessary spare parts or to acquire the necessary foreign expertise to ensure the maintenance of existing equipment have made most of the few existing African industries to operate at very low capacity, or forced many of them to close down.

15. To rehabilitate the existing industries, specific measures were outlined both in APPER and UN-PAAERD including these rehabilitating African economies and imed at making the industrial sector more supportive to agriculture. Actions required include the rationalisation of existing agro-related industries and the rehabilitation and development of resource-based industries directly linked to agriculture such as those producing fertilizers, pesticides, metal products, irrigation equipment, agricultural tools and implements and the associated spares and components. To achieve the above objectives, appropriate mechanisms for effective promotion of industrial investment should be devised as well as measures for strengthening Africa's capacities for project preparation, management and monitoring.

16. The forthcoming Second General Conference of UNIDO provides the opportunity to ensure that the Industrial Component of the UN-PAAERD is fully taken into account in the programme and activities of UNIDO. Also, adequate resources should be provided to the Organization with a view to carrying out specific activities related to UN-PAAERD in the field of industry.

3. Development of human resources and technological capabilities for industrial development

17. Inadequacy of skills and knowledge as well as technological capabilities constitute part of the basic constraints on African industrialization efforts. Though the continent is endowed with abundant and diversified natural resources, the necessary skills and capabilities as well as the practical experience is lacking in many African countries.

18. The above situation has led to the continued heavy dependence on imported technology and technical services, improperly trained technical personnel not able to operate industrial plants efficiently. In addition to the direct assistance provided to individual African countries, the International Community should be urged to support technically and financially regional institutions such as the African Regional Centre for Technology (ARCT) and the African Regional Centre for Engineering Design and Manufacturing (ARCEDEM). The strengthening of such institutions would in turn benefit to African member States especially in the areas of technological development, technological

adaption design and manufacturing of capital goods required. Therefore, the Second General Conference of UNIDO provides the opportunity to devise a concrete programme of action towards the development and strengthening of Africa's technological and manufacturing capabilities. Such a programme of action should include not only the transfer and adaptation of existing technologies, but also the development of appropriate technologies adapted to Africa's conditions and the acquisition of new technologies.

19. A special attention should be given to available opportunities in the framework of the cooperation among developing countries. Indeed, the experiences of Asian and Latin America in their ongoing industrialization process should benefit African countries, because of historical and geographical similarities. Hence the African region should, in the context of a Common Position of the Group of 77 for UNIDO II, endeavour to devise a specific and concrete cooperation framework with other developing regions.

4. Industrial Financing

20. Adequate financial resources are of paramount importance for the implementation of Africa's industrial programmes and projects. Unfortunately, the escalating crisis that confronted Africa since the launching of the Lagos Plan of Action in 1980, has made it difficult to mobilize the necessary financial resources required for the implementation of national projects as well as the agreed integrated multinational core projects of IDDA programme. In addition the available domestic resources were primarily used for the rehabilitation and development of the priority sector of food and agriculture. Africa's industrialization depends therefore on modalities and conditions for obtaining adequate financial resources from bilateral and multilateral sources.

21. In view of the above situation, Africa must ensure that due consideration should be given by the Second General Conference of UNIDO to ways and means for ensuring external financing and the industrial sector at sustainable conditions. In this regard concrete proposals should be formulated especially by the Special Session of the African Ministers of Industry. More specifically, in view of the difficulties for making the African Industrial Development Fund (AIDF) operational because of lack of initial funds, the International Community should materialize its solidarity in making voluntary contributions to the Fund. It should be recalled that the AIDF has been created for prefeasibility and feasibility studies and should be managed by the African Development Bank.

5. The System of consultations

22. The UNIDO System of Consultations has proved to be a useful forum as it provides a framework for developed and developing countries to discuss modalities for industrial restructuring, joint ventures, product sharing agreements in various sub-sectors. African countries should ensure that the system of consutlation be stregthened and widened to include regional consultation meetings relating especially to capital goods industries and industrial financing.

23. On its part, the donor community should also provide adequate resources to enable the organization of consultation meetings including those required for regional and subregional meetings. In this regard, the forthcoming General Conference of UNIDO provides the opportunity to devise a framework for the strengthening of the existing system of consultation.

6. Institutional arrangements

24. The new structure of UNIDO after its transformation into a specialized agency should reflect Africa's concern and problems related to its industrialization. Hence Africa's representation in the UNIDO Secretariat should be reflected in the decision-making process of the Organization. The African Group should ensure that such requirement, which is of paramount importance be taken into account at the Second General Conference of UNIDO. Also, the issue of unbalanced distribution of Senior Industrial Development Field Adviser (SIDFAS) should be such that Africa receives more assistance and special advise over a whole range of industrialization matters. In this regard, there is need for an increase in the number of SIDFAS in Africa.

25. Another related issue is the establishment of regional offices by the new UNIDO to assist in overcoming current structural deficiencies and bottlenecks in existing channels of communications, and to oversee the entire work of UNIDO in the region as it is presently in some UN specialized agencies. Also, the need to strengthen cooperation among the secretariats of the Regional Commissions and UNIDO is yet another issue requiring attention. In addition, to the harmonization of their respective programmes so as to avoid duplication and ensure complementarity, there is need to clearly define the respective responsibilities of UNIDO and the Regional Commissions in developing regions. In this regard, the Regional Commissions, which oversee the entire development process of the region including in particular their multidimensional and multisectoral nature, should be entrusted with policy, planning and institutions building as well as with industrial promotion at multinational, subregional and regional levels.

CONTENTS

Chapter		Page
	INTRODUCTION - - - - - - - - - - - - - - - - - -	1
I	OVERVIEW AND SUMMARY - - - - - - - - - - - - -	1
II	IMPLEMENTATION OF PROJECTS IN THE SECOND PHASE PROGRAMME -	4
III	IMPLEMENTATION OF REGIONAL, SUBREGIONAL AND INTER-STATE LINK PROJECTS - - - - - - - - - - -	8
IV	INTERNATIONAL SUPPORT AND CO-OPERATION FOR UNTACDA -	22
V	SPECIAL DEVELOPMENT ISSUES AND PROBLEMS OF SIGNIFICANCE DURING THE YEAR - - - - - - - - -	25
	CONCLUSION - - - - - - - - - - - - - - - - - -	26

INTRODUCTION

1. The report on the second phase of the UNTACDA programme gives a general review of the programme as well as specific details on the overall implementation of the programme up to the end of 1986.

2. A substantial section of the report is devoted to the analysis of the implementation of the programme on a mode-by-mode basis, with emphasis on the immediate past period - since this has been a period of substantive activities in the implementation of the programme.

3. The report also contains a brief review of the extent of international support and co-operation for the programme as well as a review of developments of significance to the programme.

I. OVERVIEW AND SUMMARY

4. As it happens every two years when the Conference of Ministers of Transport, Communications and Planning meets, 1986 was significant for the major decisions that the Ministers took during their fifth meeting held in Harare, Zimbabwe, from 10 to 12 March.

5. One of the most important items on the agenda of the meeting was the report of the Joint Inspection Unit of the United Nations (JIU) which, over a period of two years, had carried out an assessment of the execution of the first phase programme of the Decade and of the preparation of the second phase. As a result of that assessment, the JIU had made a number of recommendations on which the Ministers pronounced. One recommendation in particular was a response to resolution ECA/UNTACDA/Res.84/44 adopted by the fourth meeting of the Conference of Ministers held in Conakry, Guinea in April 1984 which had recommended that African Governments should adopt the principle of launching a second United Nations Transport and Communications Decade in Africa and had requested ECA, in collaboration with OAU, to prepare a report on such a second Decade. The JIU felt that a two-year period of reflection after the first Decade would be necessary during which an evaluation of the first Decade would be carried out. The fifth meeting of the Conference of Ministers, decided that the evaluation of the first Decade should commence immediately with the active involvement of ADB, UNDP and the World Bank.

6. Another important decision of the Ministers related to the updating of the second phase programme. They decided that ECA should screen all the proposals for new projects for conformity with the criteria laid down by their fourth meeting in Conakry for the inclusion of projects into the Decade programme. ECA was then to recommend to the Bureau of the fifth meeting which projects were to be included or not. At the time of reporting, this exercise has not yet been completed.

7. On the general African economic front, although there were signs of a respite from the drought which had devastated the region during the previous three years, the general economic situation continued to be a cause of concern and a special session of the United Nations General Assembly was held to discuss the problem in June, and a United Nations Programme of Action for African Economic Recovery and Development, 1986-1990 was adopted. Within the framework of the programme, African countries committed themselves not only to continue the restructuring process of their economies and policies, but also to largely mobilize their own resources for the implementation of the Programme of Action. In turn, the international community, particularly bilateral and multilateral donors, pledged its full support in completing Africa's efforts. Transport and communications were, of course, among the key sectors on whose development Africa's recovery would depend.

8. Nineteen eighty-six was also the year when the United Nations Development Programme prepared its programme for the Fourth Programming Cycle under guidelines which accorded a special priority ranking to activities in the fields of transport and communications. Consequently, UNDP allocated a sum of $5 million specifically for UNTACDA projects and the World Bank in association with ECA formulated a two-year transport project for sub-Saharan Africa which will consist of:

(a) Surveys of data sources in sub-Saharan African countries designed to develop a consistent transport data base;

(b) A series of workshops, with appropriate background studies, designed to present known areas of policy options for discussion and use by operational managers and policy decision-makers;

(c) A set of research studies, designed to strengthen policy areas where the factual basis for policy is not yet established.

9. With regard to the implementation of the second phase programme, the number of projects monitored in 1986 was considerably higher than in 1985 with 560 projects being monitored in 1986 against 381 in 1985 or an increase of 68 per cent. The number of projects completed was almost the same proportion of the monitored projects in 1986 as in 1985, the figures being 17 and 16 per cent respectively. The highest sector implementation rate belonged to railways at 56 per cent and the lowest, was shipping. By far, the great majority of the railway projects implemented were regional projects (12 out of 15). Because of this high rate of implementation of regional railway projects, this was the first time that the rate of implementations of regional projects exceeded that of national projects.

10. Within the Decade programme three projects take a pride of place; these are the Regional Satellite Communications System (RASCOM); the Pan-African Telecommunications Network (PANAFTEL) and the Trans-African Highways Programme. RASCOM made impressive progress in 1986 with the funds being completely secured for the feasibility study which is estimated to cost $6 million. A combined meeting of the Trans-African Highways was held in Addis Ababa in October which recommended that the Trans-African Highways Bureau at ECA be reactivated and that it should replace the separate bureaux of the individual Highway Authorities. Such a measure, it is expected, would greatly enhance the efficiency of the secretariat and reduce costs for member States.

11. All specialized agencies of the United Nations and African intergovernmental organizations continue to make their contribution to the implementation of the second phase programme.

12. The hallmark of the resources mobilization effort for the financing of the programme was the first co-financing meeting which was held from 3 to 5 November at Pointe-Noire, Congo. Although three of the four countries whose projects were before donors were unable to attend, the success rate for the one country that did participate, was very high as donors expressed interest in five out of six projects. In terms of money this represents CFAF 36.5 billion out of a total cost of CFAF 41.9 billion or over 80 per cent. The main contributors to the Decade financing continued to be the World Bank (especially for road projects) with ADB also making impressive contribution. As has already been mentioned, the results of the special session of the United Nations General Assembly on the African recovery programme were encouraging with most bilateral and multilateral donors promising to support Africa's efforts in all economic sectors, including the second phase UNTACDA programme.

II. IMPLEMENTATION OF PROJECTS IN THE SECOND PHASE PROGRAMME

13. The approved programme of the second phase of the Decade was updated in 1986 at the fifth meeting of the Conference of Ministers of Transport, Communications and Planning held at Harare, Zimbabwe in March 1986. Of greatest impact was the approval of the deletion of projects from the programme at the request of the member States concerned. The impact of these deletions is shown in table 1.

14. Thus, at year-end 1986, the second phase programme consisted of a total of 1,017 projects costing an estimated $16.534 million at 1984 programmed prices. Undoubtedly, there has been changes in cost estimates as well, but these have not been reflected in the above partial update. Similarly, modifications to existing projects or proposed new projects have not been reflected in this report since the procedures required to include these in the programme have not yet been completed.

15. The analysis of progress that follows is based on projects for which information was obtained by the secretariat as of year-end 1986. Table 2 shows the status of implementation of the projects at year-end 1984, 1985 and 1986.

16. In 1986, a total of 560 projects were monitored, up from 381 in 1985 and 253 in 1984. Out of the 560 projects monitored in 1986, 94 or 17 per cent have been completed and 246 or 44 per cent are still under implementation. The corresponding percentages in 1985 were 12 and 45 respectively. Thus, there has been some improvement in the completion rate.

17. Resources mobilized also showed marked improvement over 1985 reports. A total of $4,643 million is reported secured up to end of 1986, a 22 per cent increase from the 1985 level of $3,793 million.

Sector results

18. In summary, there has been significant progress in the implementation of projects in all the sectors. However, at more than halfway through the period, still only 9 per cent of the projects have been reported as completed, with a further 24 per cent still under implementation. The progress in each sector is summarized below. Tables 1 and 2 show progress by sector and by country.

A. Roads and road transport

19. This sector recorded the greatest improvement in the level of information available. Progress was reported on 151 out of the programmed 233 projects (65 per cent), compared to only 82 projects monitored in 1985. Out of the 151 projects monitored, 39 have been completed and 58 are under implementation, for a sector implementation rate of 42 per cent.

Table 1. Updated programme of the second phase: 1986

Sector	Approved programme Conakry (1984)		Decisions of the fifth Conference of Ministers Harare, 1986		Updated programme (1986)	
			Projects deleted			
	No. of Projects	Cost (in millions of US$)	No.	Cost (in millions of US$)	No. of projects	Cost (in millions of US$)
Roads and road transport	236	5,098	4	28	232	5,070
Railways	84	5,617	5	1,296	79	4,321
Maritime transport	38	483	3	33	35	450
Ports	70	1,850	4	144	66	1,706
Air transport	94	923	2	103	92	820
Inland water transport	45	326	2	1	43	325
Multimodal transport	11	27	0	0	11	27
Total transport	578	14,324	20	1,605	558	12,719
Telecommunications	216	2,692	3	43	213	2,649
Broadcasting	121	716	2	43	119	673
Postal services	135	523	8	30	127	493
Total communications	472	3,931	13	116	459	3,815
Total programme	1,050	18,255	36	1,721	1,017	16,534

Table 2. Progress in the implementation of the second phase programme:1986

Sector	Total number of projects in programme (1986)	Number of projects monitored			Projects completed to date			Projects under implementation		
	Number	1984	1985	1986	1984	1985	1986	1984	1985	1986
Road	232	74	82	151	2	14	39	27	49	58
Rail	79	23	31	55	0	2	15	7	19	29
Maritime	35	3	0	2	0	0	1	0	0	1
Ports	66	18	22	31	0	0	1	4	14	23
Air	92	24	34	56	1	5	9	9	12	23
Inland water	43	5	7	14	0	0	1	3	3	5
Multimodal	11	2	4	5	1	1	2	0	2	2
Total transport	558	149	180	314	4	22	68	50	99	141
Telecommunications	213	38	102	116	2	12	13	19	45	60
Broadcasting	110	33	46	60	6	9	9	7	13	21
Postal	127	33	53	70	1	3	4	4	14	24
Total communications	459	104	201	246	9	24	26	30	72	105
Total programme	1,017	253	381	560	13	46	94	80	171	246

B. Railways and rail transport

20. The majority of projects so far implemented in this sector are regional projects. Out of the 55 projects monitored, 15 are reported completed, including only 3 national projects; 29 mostly national projects are reported as under implementation. Thus the sector records the highest implementation rate of over 80 per cent of the monitored sample projects. In terms of the programme, this represents an implementation rate of 56 per cent of the 79 projects.

C. Maritime transort

21. The projects in this sector remain the least implemented. Out of the 35 projects in the programme, monitoring information was available on only two: one project in Benin which is still under implementation, and a regional project, Feasibility study of a West and Central African Shipping Line, which has been completed.

D. Ports

22. A total of 31 projects were monitored, or 47 per cent of the 66 projects in the sector programme. Only one project is reported completed and 23 more are under implementation for an implementation rate of 36 per cent.

E. Air transport

23. The sector programme contains 92 projects. Monitoring information was obtained on 56 projects (61 per cent): 9 have been completed and 23 are still under implementation. This implies an implementation rate of 35 per cent.

F. Inland water transport

24. There has been a significant improvement in the level of information available for projects in this sector. Monitoring data was obtained on 14 out of the 43 programmed projects this year, compared to 7 in 1985. One project is reported completed and five are still under implementation.

G. Multimodal transport

25. This sector programme contained 11 projects. Monitoring information was obtained on five projects: two have been completed and two are still under implementation.

H. Telecommunications

26. Monitoring information was available on 116 out of 213 or 55 per cent of the projects in the programme. Out of these, 13 are reported completed and a further 60 are still under implementation, for a cumulative implementation rate of 34 per cent.

I. Broadcasting

27. Of the 119 projects in this sector programme, monitoring information was available on 60, up from 46 in last year's report. Nine out of the 60 projects are reported completed and 21 as under implementation at the end of 1986, for an implementation rate of 25 per cent.

J. Postal services

28. There has not been any significant improvement in the implementation of projects in this sector. Of the 70 projects in the monitoring sample, only 4 are reported as completed and 24 as under implementation. This represents a 22 per cent implementation rate in the sector total of 127 projects.

III. IMPLEMENTATION OF REGIONAL, SUBREGIONAL AND INTER-STATE LINK PROJECTS

A. Transport

I. Inter-State link projects

29. In previous annual reports, the importance of inter-State link projects to the success of the Decade programme was discussed in great detail. It should merely be re-emphasized that the ease with which the flow of traffic of goods and persons is effected among African countries shall largely depend on the extent to which regional, subregional and inter-State link projects are successfully implemented.

30. Unlike other projects, this category of projects has its specific characteristics and differences which need to be stressed, such as: (a) the high degree of co-operation and co-ordination among the countries involved in their implementation; (b) joint commitment in providing, seeking and/or guaranteeing the necessary funds and resources; (c) the special policy and procedural requirements of most financial/lending/donor agencies for joint submission of project funding requests, where more than one beneficiary is involved; and (d) the regular allocation of funds for regional/subregional projects (UNDP, EDF, etc.) which can only be utilized for project requests jointly submitted by all the countries involved and benefiting in the projects.

31. In the early period of the second phase programme, only little progress was made in the implementation of regional, subregional and inter-State link projects. An up-to-date review now shows some significant improvement in the implementation of this category of projects, which is generally acknowledged to be crucial for the physical integration of the continent in accordance with the objectives of the Lagos Plan of Action and the Final Act of Lagos.

32. Below is the status of implementation of the regional, subregional and inter-State link projects based on information partly provided by member States and partly gathered by the Commission.

(a) Regional projects

33. Only one of the regional road projects; ROP-60-003, prefeasibility study of the protection of the Benin-Togo-Ghana coast against erosion, was in progress. The total cost of the study ($US 0.45 million) has been fully financed.

34. Significant progress was made in the railway mode, in that 12 projects estimated at a total cost of $US 67.38 million were completed, while three others estimated at a cost of $US 309.0 million were in progress and one project was deleted.

35. In the maritime mode, only one project; SHP-60-019, feasibility study on the establishment of a multinational shipping line for West and Central African States, sponsored by MINCONMAR was completed. The cost of $US 0.13 million was funded by UNDP and ECOWAS.

36.With respect to ports, the study on the establishment of a dredging pool for the Eastern/Southern African ports was completed (HAP-60-006). The cost of $US 0.163 million was funded by the Dutch Government and member States of the Port Management Association for Eastern and Southern Africa. The project (HAP-60-008) on the development of a free zone in the port of Djibouti, estimated to cost $US 3.7 million, was in progress. External financing amounting to $US 1.5 million was provided by KFW of the Federal Republic of Germany.

37. One regional air transport project, AIP-60-006, feasibility study on establishment of a co-ordinated network of aircraft maintenance and overhaul centres, was completed at a cost of $US 0.5 million and was funded by ADB and Norway. Three other projects, AIP-60-003, 60-004 and 60-010, estimated at a total cost of $US 67.46 million, were in progress. About $US 51.44 million out of the total cost has been secured, with about 28.5 per cent and 71.5 per cent from external and local sources respectively.

(b) Transit-transport corridors

38. Mombasa-Nairobi-Uganda-Rwanda-Burundi: The study on the Gitega-Muyinga road in Burundi, ROP-05-001, was completed in 1986 with $US 0.64 million provided by ADB. Two railway projects, RAP-46-001 and -46-002, estimated at $US 9.1 and $US 34.71 million respectively were under execution. France had provided $US 9.0 million for the implementation of the former while India/FRG/ France/EEC have jointly provided $US 25.5 million for the execution of the latter.

39. The study of Lakes Tanganyika and Victoria and purchase of an additional ferry for Lake Victoria (INP-43-001) was in progress in 1986. The two feasibility studies on the construction of container terminals at Tororo, Kampala and Kasese (MMP-46-001) and on the establishment of a terminal at Kampala (MMP-46-002) were also in progress.

40. Dar-es-Salaam-Burundi-Rwanda: The Gitega-Muyinga road (ROP-05-001) is common to these two corridors and has been reported above. The study of the Nyanza Lac-Butambara road in Burundi has been completed at a cost of $US 2.0 million provided by the Libya Arab Jamahiriya. ROP-35-006, construction of the Rwanda section of the Rugombo-Bugarama road, is under execution with $US 0.85 million and $US 1.78 million provided by OPEC and the Rwanda Government respectively.

41. The engineering studies of a proposed railway link between Rwanda, Burundi and the United Republic of Tanzania has been completed at a cost of $ S 4.0 million funded by the Kagera Basin Organization (KBO). The expansion of the port of Dar-es-Salaam (HAP-43-001), estimated at a cost of $US 102.6 million, is in progress and a substantial portion of the financing ($US 90.9 million, i.e. $US 58.9 million external and $US 32.0 million local sources) has been secured. IDA/DANIDA/FINNIDA/Italy/Netherlands/NORAD/UK are all involved in the external financing of this project.

42. The construction of warehouses for Rwanda at Isaka in the United Republic of Tanzania (MMP-35-001) is in progress.

43. Dar-es-Salaam-Zambia: The study of the Mansa-Luwingu-Kasama road in Zambia (ROP-49-006) is under execution and the $US 1.1 million cost has been funded by BADEA. Four railway projects have been completed, i.e. RAP-60-020, construction of 43 villas at the new Kapiri Mposhi station; RAP-60-021, construction of miscellaneous goods warehouse at Dar-es-Salaam; RAP-60-023, construction of terminals at the new Kapiri Mposhi station for handling and storage of goods; and RAP-60-025, acquisition of signalling and telecommunications equipment. Two other railway projects on this corridor were in progress during the year, i.e., RAP-49-001, study of a proposed railway line between Mupulingu and Kasama; and RAP-60-013, purchase of 36 diesel electric mainline locomotives.

44. The expansion of the port of Dar-es-Salaam is common to several corridors and progress on it has been reported above.

45. Nacala-Malawi-Zambia: The studies on the construction of container terminals at Blantyre, Lilongwe and Balaka were completed by UNCTAD for Malawi at a cost of $US 3.4 million.

46. Beira-Zimbabwe-Zambia: No project was in progress on this corridor during 1986.

47. Maputo-Zimbabwe-Zambia: The study of the Zvishavane-Chicualacuala road in Zimbabwe (ROP-50-004) was under execution. The $US 0.3 million project was funded by Italy.

48. Maputo-Swaziland: No project was in progress on this corridor during 1986.

49. Lobito-Zaire-Zambia: The study of the Kaoma-Zambezi-Chavuma road (ROP-49-005) has been completed at a cost of $US 1.10 million funded by BADEA. The feasibility study of a proposed railway linking Chigola-Chililabombwe with the Angolan network (RAP-49-004) has been deleted.

50. Pointe-Noire - CAR - Chad: The improvement of the Bossembele-Bossangoa-Bedaoyo road (ROP-08-004) is in progress. Only $US 2.0 million of the estimated $US 22.52 million cost of the project has been funded by the International Bank for Reconstruction and Development (IBRD). The study of the Sibut-Sido Kaga-Bandoro-Sido-Chad road (ROP-08-006) has been completed at a cost of $US 2.0 million funded by IBRD.

51. The study of the expansion of the port of Pointe-Noire (HAP-11-001) is under execution. FAC/CCCE have provided $US 1.38 million and the Congo $US 0.62 million of the cost of the studies. Work is similarly in progress on the expansion of the port of Brazzaville and construction of secondary river ports. BADEA/FAC/ADB have provided $US 4.93 million, while the Congo has provided $US 3.5 million respectively for the project.

52. Douala-CAR-Chad: Two road projects, ROP-06-002, study of the Kribi-Yakadouma road and ROP-08-001, study of the Bossembele-Garoua Boulai road, have been fully financed by ADB ($US 11.0 million) and are currently under execution.

53. Realignment of the rail track between Douala and Yaounde (Esaka-Maloume section) (RAP-06-001), estimated at $US 300 million is under construction. France and 10 other countries have contributed $US 204 million, while Cameroon has provided $US 36 million towards the implementation of the project.

54. Port Harcourt (or Lagos) - Chad: No project was in progress on this corridor in 1986.

55. Lagos-Niger-Chad: The feasibility study on providing access to the sea for the Niger either through Dori-Niamey or Kano-Maradi link (RAP-60-010), completely funded by ECOWAS at about $US 0.15 million, was completed.

56. Cotonou-Niger: The study of the Seme-Cotonou-Godomey road and the third Cotonou bridge (ROP-03-003) has been completed at a cost of $US 0.6 million, secured from Kreditanstalt fur Wiederaufbau (KfW). The construction of the Dassa-Zoume-Parakou road (ROP-03-004), estimated at a cost of $US 42.9 million, has been completely funded and is in progress. BADEA/BOAD/ECOWAS/EDF have jointly provided $US 40.28 million, while Benin has provided $US 2.62 million for the implementation of the project.

57. The construction of warehouses for Mali at the ports of Dakar, Cotonou and Abidjan (HAP-28-001) is in progress. CCCE/BOAD/UNIFICO/Switzerland have provided $US 4.20 million and Mali $US 0.16 million for the implementation of this $US 8.0 million project. The purchase of a vessel (SHP-33-001) has been deleted.

58. Lome-Niger: Two road projects, i.e. construction of the Ouagadougou-Kaya-Dori (ROP-47-002) and construction of the Fada-Ngourma-Pama (ROP-47-003) roads, were in progress in 1986. IDA has provided $US 20 million and ADB/Norway have provided $US 13.0 million for the implementation of the former and the latter respectively. The construction of warehouses for the Niger at the ports of Lome and Abidjan and purchase of handling equipment (HAP-33-001) was in progress and only $US 1.8 million of the estimated $US 3.9 million cost has been secured.

59. Abidjan-Burkina Faso-Niger: The construction of the Ouagadougou-Tamboa-Tin Hrassan railway line, with current cost estimate of $US 121.0 million was in progress. The total funding of the project has been secured as follows: $US 89 million from external sources (ECOWAS/BOAD/BADEA/KfW) and $US 32 million from local sources. HAP-33-001 is common to more than one corridor and has been reported above. RAP-21-001 and RAP-21-002 have both been deleted.

60. Abidjan-Mali: The study of the Ferkessedougou-Ouagadougou-Mali border and the Ouangolodougou-Burkina Faso border roads (ROP-21-001) has been completed at a cost of $US 1 million secured from ADB/IBRD. The total financing ($US 20 million) for the construction of the Bamako-Bougouni road (ROP-28-004) has been secured from IDA/ADF/Switzerland ($US 18 million) and local sources ($US 2 million) and the project is under construction.

61. Studies for the interconnection of the Cote d'Ivoire and Mali railways (RAP-60-005) have been completed at a cost of $US 3.33 million funded by ECOWAS. RAP-21-001 and RAP-21-002 are common to two corridors and have been deleted (see para. 31 above). HAP-28-001 is common to several corridors and has been reported on in paragraph 29 above.

62. Dakar-Mali: Reconstruction of the Kolokani-Bamako road (ROP-28-001) was in progress. UNDP/UNCDF/UNSO have jointly provided $US 5.8 million (about 97 per cent of the total cost) for the implementation of the project. The engineering study of the Bamako-Kita-Keneiba-Senegal border road (ROP-28-008) has been completed at a cost of $US 2 million entirely funded by ECOWAS.

63. Studies have been completed and $US 10 million secured from KfW/CCCE/IBRD and $US 5 million from local sources for the construction of a container terminal at the port of Dakar (HAP-37-001).

Summary

64. A summary of the transit-transport corridors in 1986 shows that 8 road, 7 railway, 1 port and 1 multimodal transport projects were completed, while 11 road, 6 railway, 8 port, 2 inland water and 2 multimodal transport projects were under execution. Three railway and 1 maritime transport projects were deleted.

2. Trans-African highways

65. The Network: A detailed historical background and rationale for the existing and planned trans-African highways, including ECA's efforts over the years, was given in a previous report (E/ECA/TCD/24, paras. 68-72) and need not be repeated here. Below is therefore a description of activities which took place in 1986 with regard to the highways.

66. The African Highway Master Plan: During this reporting period, the terms of reference for the preparation of the African Highway Master Plan were finalized and submitted to TACOO for submission to potential donors.

67. Progress of Trans-African Highways in 1986: The Combined Meeting of Trans-African Highway Authorities was convened by ECA at Addis Ababa from 6 to 10 October 1986, at which the Authorities reviewed the progress of their respective Highways as indicated below and charted their future programmes and activities and decided to reactivate the Trans-African Highways Bureau that will operate within ECA.

(a) Cairo-Gaborone Trans-East African Highway (TEAH)

68. A pre-feasibility study of the whole Highway was in progress under the auspices of ECA and funded by CIDA. The study should be completed in 1986 or early 1987, provided the consulting firm, Delcanda International of Toronto, Canada, obtains the co-operation and assistance required from member States on time. The study should determine precisely the extent of missing links and other substandard segments that exist along the Cairo-Gaborone route and quantify the resources required to upgrade the highway to all-weather standard throughout. The interim report of the consultants, which covered the "southern" half of the TEAH, had revealed, in the meantime, that the highway is in very good condition in Botswana and Zimbabwe, while rehabilitation and reconstruction was required in Zambia and the United Republic of Tanzania.

69. As regards the facilitation of road travel and trade on the TEAH system, the three working groups created by member States to improve customs, immigration and traffic regulations and procedures have made some progress. The Immigration Working Group, headed by Kenya, had met and drafted a legal document which, when adopted, would enable member States to harmonize rules and procedures. Ethiopia, Chairman of the Working Group on Traffic Regulations, has prepared a standard traffic regulations draft for consideration by member States. Due to the recent restructuring of its national customs system, the Sudan, Chairman of the Working Group on Customs, had not had the opportunity to convene a meeting of its group, but will do so soon.

70. As concerns infrastructure improvement, especially the major missing links in the TEAH, these are found inside the Sudan, Ethiopia and Kenya. Efforts were being made to upgrade them, but progress would likely depend on availability of external aid.

(b) Lagos-Mombasa Trans-African Highway (TAHA)

71. The Governing Council of TAHA held its second extraordinary meeting during this reporting period and considered a number of pertinent issues.

72. An inventory of the TAH and its feeder links, financed by Belgium, was completed during this reporting period.

73. The Ministers of Zaire and the Central African Republic reported on efforts being made by their respective Governments to improve missing links in Zaire and the Central African Republic. Cameroon reported that its missing link has been made motorable (Foumban-Tibati, 300 km), although some work would still be required to meet TAHA standards.

74. Draft protocol inter-State treaties, agreements and other relevant legal instruments have been prepared to facilitate road travel along the TAH and its feeders. These would be considered and finalized by the Governing Council at its next meeting, scheduled to be held at Kinshasa in February 1987.

(c) Tripoli-Windhoek Trans-Central African Highway (TCAH)

75. The Co-ordinating Committee of Ministers of the TCAH held its second meeting during this reporting period, and considered various important issues.

76. In reviewing the progress of infrastructure development, the segment in the Congo (Brazzaville-Ouesso) had made substantial progress, while civil strife was continuing to hinder any progress inside Chad, where the major missing link in the TCAH exists.

77. The Committee decided that efforts be made by ECA to prepare the relevant document required to transform the TCAH Co-ordinating Committee into an Authority (TCAHA) in the very near future.

(d) Trans-Sahara Highway

78. The Trans-Sahara Highway Committee held an extraordinary meeting during the reporting period, under its current Chairman, Tunisia.

Current status

79. The Algiers-Lagos Trans-Sahara highway, which joins Algeria with Nigeria via the Niger, with spurs to Bamako in Mali, Niamey and Tunis in the north, has progressed much in Tunisia, Algeria and Nigeria, but substantial missing links still exist inside Niger and Mali. Shifting sands was the major maintenance problem in the "Sahara" segment of the Algiers-Lagos Highway while lack of water and suitable construction materials impeded progress of construction.

80. ECA was requested to assist in the revival and revitalization of the Trans-Sahara Highway Committee to provide member States with an improved opportunity to exchange opinions on the development of the Highway.

(e) Trans-West African Highway Network (TWAHN)

81. The legislative authority of the Trans-West African Highway Network (TWAHN), made up of the Dakar-N'Djamena Trans-Sahelian Highway and the Lagos-Nouakchott Trans-Coastal Highway met under the current Chairman of ECOWAS, Nigeria.

82. The network had made substantial progress in Benin, Chad, Cote d'Ivoire, Ghana, Guinea, Mali, Nigeria and Senegal.

83. Member countries indicated that co-ordination meetings of the TWAHN were not being organized by ECOWAS on a regular basis and requested ECA to provide assistance to member countries to improve co-ordination.

84. ECOWAS has achieved a lot of success in facilitating travel and trade by road in the West African subregion, including the ECOWAS "Brown Card" relating to motor vehicle third party liability insurance and others, such as the protocols on harmonization of highway legislation and regulation of inter-state transportation and transit.

(f) Trans-African Highways Bureau

85. During the Combined Meeting of all the Trans-African Highway Authorities held at Addis Ababa during this reporting period, member countries agreed to re-establish the Trans-African Highway Bureau under the auspices of ECA, so that it would provide secretariat and technical services to all Trans-African Highway Authorities as an efficient and cost-effective arrangement, in lieu of individual secretariats for each Authority.

3. Optimum development of air services

86. AFCAC has prepared a plan for the implementation of recommendations of the ECA/AFCAC study on the optimum development of air services in Africa. This plan comprises a series of actions and measures designed for the short, medium and long term. They apply to airlines, States and subregional organizations. In the short term, the plan provides for, inter alia, the development of trade co-operation, the implementation of a tariff policy, the establishment of clearing houses at the subregional level in order to facilitate the transfer of the revenue of airlines, the liberalization of traffic rights, improvement in airport facilitation and the development of tourism infrastructure.

87. The medium term will be devoted, inter alia, to the creation of multinational or jointly operated airlines at the subregional level, diversification of the activities of airlines and the development of air services within the framework of the AFRAA circuit. As for the long term, the plan provides that regional organizations continue actions undertaken over the short and medium term so as to co-ordinate the activities of subregional entities.

88. This plan and execution st ategy was defined as follows:

(a) AFCAC should, in collaboration with OAU, ECA and AFRAA, be responsible for the execution of the plan;

(b) The usual methods and procedures of subregional organizations, in their relations with States, should be used to the maximum to implement measures and actions provided for in the plan (for instance, through follow-up correspondence, consultations and fact-finding/evaluation missions to States and airlines);

(c) The Air Transport Technical Committee must fully play its assigned role and organize, at all levels required, all necessary meetings (restricted groups of expert meetings at the subregional level or on a specific issue) and meetings of the whole with the participation of all parties involved in the subregional plan and, if need be, at the regional level. The main objective of such meetings is to enable States and airlines to get down to work, pursuant to this plan, in order to enhance the optimum development of air services in Africa;

(d) According to a recommendation of the Committee adopted during its first meeting, the financing of all these meetings and related activities (mainly their preparation) must be provided for in the budget of the ECA Transport, Communications and Tourism Division;

(e) In addition to the financing of studies that AFCAC has already included in the second phase of the UNTACDA programme, supplementary resources for additional studies in this plan must be sought for both within the framework of this programme and from other financing sources such as ADB, UNDP, ACP/EDF or from certain donor countries;

(f) Lastly, AFCAC, in collaboration with ECA and, if need be, with ICAO, could request the services of a high-ranking expert to co-ordinate and monitor the implementation of the plan.

Air Freedoms

89. The Air Transport Technical Committee, set up pursuant to the Mbabane Declaration, met for the second time in Addis Ababa from 30 June to 2 July 1986. The agenda included consideration of the problems of traffic rights, collection and nature of data needed for the development of air transport, routes necessary for the economic and physical integration of Africa, the ECOWAS study on air transport and the promotion of multinational airlines and joint operation of routes. Participants recalled that political authorities had already expressed their willingness to create a pan-African airline and that the mission of this committee was to follow up the political decisions in order to translate them into concrete actions.

90. The Committee therefore adopted an approach designed to:

(a) Encourage the AFRAA/AFCAC approach on the standardization of personnel licensing procedures, aircraft airworthiness certification and other civil aviation legislation;

(b) Encourage commercial co-operation among airlines;

(c) Identify problems needing solutions prior to the creation of subregional airlines and make suggestions on how to solve them;

(d) Involve members of the committee in subregional studies so that they can give technical advice when the project is implemented and finally presented to the various users.

B. Communications

1. Pan-African Telecommunications Network (PANAFTEL)

91. As a means of improving the poor communications within and between African countries, the OAU Council of Ministers in resolution CM/Res.404 (XXIV) endorsed the establishment of the Pan-African Telecommunications Network (PANAFTEL) which aims at extending and interconnecting national telecommunications networks to form a continental system. This same resolution established the PANAFTEL Co-ordinating Committee whose membership consists of the OAU, ECA, ITU, ADB and PATU, and entrusted it with the responsibility of monitoring and supervising the implementation of the PANAFTEL network.

92. On the proclamation of the United Nations Transport and Communications Decade for Africa, the Pan-African Telecommunications Network (PANAFTEL) project was incorporated into the Decade programme as the principal activity in the telecommunications subsector.

93. The catalytic effect of good communication facilities on the process of development, especially on the food and agriculture sector, is well recognized. Indeed, in Africa's Priority Programme for Economic Recovery, the transport and communications sector has been identified as an essential supportive sector for the improvement of the food situation and the rehabilitation of agriculture development in Africa.

(a) Status of implementation of the PANAFTEL Network

94. With regard to the implementation of the network, satisfactory progress has been made and continues to be made in West and Southern Africa. This state of affairs is due to the considerable assistance given to member States by regional and international organizations such as ECOWAS and SADCC. These organizations galvanized the efforts of member States and provided the necessary support for finding solutions to problems of cross-border links. For example,

in West Africa, nine inter-country links are operational and most of the rest are under construction. In Eastern and Southern Africa, the completion of the Botswana-Zimbabwe link and that between Zambia and the United Republic of Tanzania has established terrestrial communication facilities from Ethiopia to Botswana. The comparatively good communication links in North Africa have been reinforced and made more reliable. The Central African region has, however, lagged behind the other regions in the implementation of the PANAFTEL Network because of delays. It is hoped that the newly established Economic Community for Central African States (ECCAS), with the assistance of the Central African Conference of Posts and Telecommunications Administrations (CAPTAC), would be an engine for promoting the implementation of the PANAFTEL Network.

95. In the field of operations emphasis was placed on maintenance activities in order to prolong the life of equipment installed and to ensure the quality of service offered. In this connection, ITU and PATU mounted programmes to assist member States to achieve a well-maintained network. One of such major programmes is the national plan for the improvement of maintenance in which ITU, with financial support of ADB and UNDP, has assisted member States to formulate national maintenance plans.

96. In the face of present economic difficulties confronting member States, the progress achieved so far in the implementation of the PANAFTEL Network represents huge investment and sacrifice made by member States and is a demonstration of their commitment to the project. Member States are, however, not reaping the full benefits of their investment because of the low level of utilization of the installed network. Intra-African traffic that could pass over the network continued to be transited through centres outside Africa with serious financial, economic and social consequences that Africa can ill-afford in addition to the negative implications already resulting from the above-mentioned underutilization of the existing equipment.

97. The reported causes of the continued underutilization are principally lack of bilateral agreements for terminal and transit traffic, the problem of regionally acceptable tariffs, in spite of efforts made in certain regions, operational and maintenance problems relating in particular to financing of spare parts and fuel supplies, lack of commitment for effective utilization of the completed and operational PANAFTEL Network, reluctance to changes in traditional traffic routing patterns resulting from, among others, certain deep rooted historical relationships.

(b) Approaches to improving the PANAFTEL network

98. It is suggested that member States should be encouraged to take action to eliminate all constraints that prevent the full utilization of the installed network. Members of the PANAFTEL Co-ordinating Committee have, within their respective domains, agreed to take similar action. In this connection, it is indispensable that the member States as well as international and regional organizations concerned be provided with the necessary resources to enable them to promote this activity.

99. It is hoped that the African Telecommunications Development Conference called for by the fifth Conference of African Ministers of Transport, Communications and Planning would provide the appropriate forum for the decision makers in the field of telecommunications in Africa to examine in detail the problems that impede the implementation and effective utilization of the installed PANAFTEL Network.

100. In terms of regional co-operation, ECA continued to follow up technical co-operation programmes with the Government of Brazil on the improvement of the PANAFTEL. It is expected that in 1987 a workshop for traffic managers on the problems of operations and maintenance of the network will be organized by the Brazilian Telecommunication System. In addition, special efforts are being made by Brazil to offer fellowships in order that African technicians may participate in specialization courses in Brazil or that Brazilian experts may be sent to Africa.

2. Regional African Satellite Communication System (RASCOM)

101. The year 1986 could be regarded as the turning point in Africa's efforts to establish an African regional satellite communications system. The mandate of the Inter-Agency Co-ordinating Committee (IACC) as the supervisor of the RASCOM feasibility study project was reaffirmed by the Conference of African Ministers of Transport, Communications and Planning at its fifth meeting held in Harare, Zimbabwe in March 1986 when it approved the recommendations of the IACC on the financing and management of the project.

102. Throughout the year, the IACC continued its work towards the start of the feasibility study. It held three meetings at which several key decisions were made.

103. The eleventh meeting of the Co-ordinating Committee, held in Addis ababa, Ethiopia in February 1986, made the following recommendations: to the Conference of African Ministers of Transport, Communications and Planning:

(a) That the United Nations Development Programme (UNDP) be admitted as the tenth member of the IACC;

(b) The modalities, work breakdown and organizational structure for the implementation of the study;

(c) Confirmation of the strategy to mobilize financing for the project mostly from African Governments and other independent non-tied sources;

(d) Role of the sponsoring countries and financing institutions in the conduct of the study; and

(e) Establishment of the project office at the Geneva headquarters of the International Telecommunication Union (ITU), the IACC member which is the technical co-ordinator of the project.

104. At the twelfth meeting, also held in Addis Ababa in July 1986, the IACC further refined the framework for the project office, elaborated the job descriptions for the director and senior experts for the project, and drew up a strategy for advertising the posts.

105. The selection of the project director and senior experts was initiated at the thirteenth meeting in November 1986 and the process was completed in January 1987. The project office became operational in the same month.

106. With regard to funding, the $US6 million estimated cost of the project is almost oversubscribed. Although only $US 0.6 million or 10 per cent is now in the project funds provided by UNDP and ITU, there have been the following pledges:

(a) $US 3 million ADF loan taken by Zimbabwe;

(b) $US 0.5 million ADF loan taken by Ethiopia;

(c) $US 1.9 million from UNDP;

(d) $US 1.0 million from Italy (conditional);

(e) $US 0.5 million (1 million DM) from the Federal Republic of Germany (to be available after January 1987).

107. Thus, by the end of 1986, the project was ready to commence. It is expected that the study will be completed within 18 months of the starting date. Therefore, if all goes well, by the end of the UNTACDA programme in 1988, the African Governments would have made a decision on whether or not to launch the RASCOM.

3. Manpower development in communications

108. Human resources being a priority in Africa's Priority Programme for Economic Recovery, ECA is now concentrating on projects dealing with the enhancement of managerial capabilities in the communications sector.

109. Under General Assembly resolution 38/150 of December 1983 on the Transport and Communications Decade in Africa, ECA is carrying out studies on manpower and training surveys in communications and transport. To avoid duplication of efforts and to ensure maximum effectiveness, these studies in communications are being undertaken in close collaboration with ITU, UPU and UNESCO.

110. In the telecommunications sector, ECA and ITU are jointly executing the manpower and training needs surveys and updating those that have already been completed through surveys or preparation of countries' master plans. The two organizations intend to maximize the utilization of the studies, particularly the joint preparation of national and subregional training projects. In addition, ECA has planned in its 1988-1989 work programme the review of existing policies and projects in Africa, designed to promote the manufacture of telecommunications equipment.

4. Training

111. Assistance in the field of training was provided by various regional and subregional organizations. This took the form of assistance to regional training institutions, the organization of seminars or workshops and the provision of instructors. The list of seminars or workshops includes the following.

(a) Assistance to ESMT Dakar under project RAF/79/039 ;

(b) Preparatory assistance for AFRALTI under project RAF/85/028;

(c) ITU's training activities in Africa, i.e.:

(i) - 27 missions for training assistance, manpower plans, preparation of training project documents;

(ii) - 5 training development workshops organized;

(iii) - 1 instructor-training workshop organized;

(iv) - Organization of two regional training meetings for Anglophone countries in Mbabane and for Francophone countries in Abidjan;

(v) - Papers presented at six major conferences/seminars;

(vi) - Participation in GAS 9 meetings (Dakar) contributing to the human resource chapters in the Senegal case study;

(vii) - Interregional training meeting in Vancouver with 19 participants from Africa.

(d) Seminar on PANAFTEL Maintenance, Abidjan (24-28 February 1986);

(e) Seminar on digital techniques during the Mbabane ARTC meeting;

(f) Conference on management of human resources, Yaounde;

(g) Broadcasting workshop, Harare, under project RAF/81/009.

IV. INTERNATIONAL SUPPORT AND CO-OPERATION FOR UNTACDA

112. A review of the extent to which international support and co-operation has been accorded the second phase of the UNTACDA Programme by the end of 1986 shows that while reasonable progress has been achieved in general, much remains to be done in order to fully implement the programme.

113. Basically, slow economic recovery in the industrialized donor countries, coupled with other economic and financial problems, continued to adversely affect their capacities and willingness to grant loans and assistance, or to effectively participate in the implementation of the programme.

114. The entire second phase programme now consists of some 1,017 projects, estimated at a total cost of $US 16,534 million. So far, only $US 4,643 million or 28 per cent of the total cost has been secured as of the end of 1986. An analysis shows that $US 2,685 million (i.e., 58 per cent of the secured funds) was from external sources, while the balance of $US 1,958 million (42 per cent) was provided by African countries themselves. Thus, in spite of the serious economic and other problems which beset Africa and have actually resulted in economic decline in most African countries, the member States have continued to devote a substantial part of their meagre resources to the programme.

115. On the basis of information provided by member States and obtained from other sources, the summary table 3 below has been prepared. It shows, among other things, the number of projects which have attracted financing, the external and local financing secured and the overall modal percentages.

116. ECA has continued to explore ways and means of financing the UNTACDA projects. It will be recalled that nine technical consultative meetings were organized whose results, though positive in certain respects, fell short of expectations. It was, therefore, felt necessary to adopt a new approach to mobilize resources for the programme. A new approach, known as co-financing, has been adopted. It enables the financing of a project from more than one source. The co-financing meetings differ from the technical consultative meetings in scope of activities, focus of attention, commitment and outlook.

117. During the period under review, ECA has organized a co-financing meeting for projects in the Central African transport corridors (Pointe-Noire, Congo from 3 to 5 November 1986). The objective of the meeting was to enable the four countries in the subregion, namely, the Congo, Cameroon, Chad and the Central African Republic to collectively present to the financial institutions and donor countries their transport corridor projects for consideration for financing.

118. A total of 20 projects estimated at CFAF 129 billion were presented to the co-financing meeting. Six of the 20 projects were located in the Congo and the total cost of these projects was CFAF 41.9 billion. The financial institutions and donors indicated interest in five of the six projects. In terms of cost, this represents CFAF 36.5 billion out of CFAF 41.9 billion or over 80 per cent.

Table 3: Summary of UNTACDA projects that have attracted financing, by sector

Sector	Total number of projects in plan: Number	Total number of projects in plan: Cost (in millions) $US	Financing secured 1984-1986: No. of projects financed	Financing secured 1984-1986: External financing (in millions) $US	Financing secured 1984-1986: Local financing (in millons) $US	Financing secured 1984-1986: Total financed (in millions) $US	Financing secured 1984-1986: % of cost financed
Road	232	5,070	94	659	392	1,051	21
Rail	79	4,321	47	1,393	728	2,121	49
Maritime	35	450	2	3	-	3	8
Ports	66	1,706	24	273	402	675	40
Air	92	820	33	78	83	161	20
Inland wateer	42	325	6	6	21	27	8
Multimodal	11	27	4	9	-	9	33
Total transport	558	12,719	210	2,421	1,626	4,047	32
Telecommunications	213	2,649	58	219	283	502	20
Broadcasting	119	673	29	32	29	61	9
Postal	127	493	28	13	20	33	7
Total communications	459	3,815	115	264	332	596	16
Total programme	1,017	16,534	325	2,685	1,958	4,643	28

119. Concerning Chad, interest was expressed in three out of the five projects presented, estimated at CFAF 4.9 billion or about 70 per cent of the total cost of CFAF 6.9 billion. One regional project estimated at CFAF 3 billion also received favourable interest from donors.

120. In summary, interest was shown in nine projects totaling about CFAF 45 billion or 35 per cent of the total cost of projects presented at the co-financing meeting. The reaction of the participants to this meeting, the first of a series planned for some of the 14 land-locked African countries, was generally positive. In fact, the situation could have been better if all the beneficiary countries had been present during the meeting. ECA is encouraged to continue with efforts to organize similar meetings for financing the UNTACDA projects.

121. During the period under review, various donors and financial institutions provided financial support for the development of transport and communications in Africa. Since it was not possible to obtain all information on contributions, what follows below is only partial and incomplete.

122. The World Bank provided $US 261.8 million for transport and communications projects in Africa, out of which $US 215.3 million was for transport and $US 46.5 was for communications. When compared with the resources provided by the Bank for the sector during the 1984 and 1985 fiscal years, it shows a decrease of 56.0 and 50.0 per cent respectively.

123. For the projects financed by the World Bank, additional co-financing was provided by the African Development Bank amounting to $US 64.1 million; Caisse centrale de co-operation economique $US 45.8 million; European Development Fund $US 39.4 million; Overseas Economic Co-operation Fund $US 29.2 million; Japan $US 20.0 million; Saudi Fund for Development $US 13.2 million; European Development Fund $US 10.6 million; European Investment Bank $US 8.7 million; Arab Bank for Economic Development in Africa $US 7.6 million; Norway $US 6.9 million; West African Development Bank $US 4.2 million; Swiss Development Cooperation $US 4.0 million; United Nations Development Programme $US 22 million; Denmark $US 2.0 million; World Food Programme $US 1.9 million; United Nations Sudano-Sahelian Office $US 0.6 million; Funds d'aide et de co-operation, and France 0.4 million.

124. The Arab Bank for Economic Development in Africa provided $US 22.67 million for transport projects in Africa, for which $US 22.42 million was for road construction and $US 0.25 million for river ports study. The total financing provided by the Bank reflects a decrease of 59.1 and 32.0 per cent from that of 1983 and 1984 respectively.

125. The Organization of Petrolieum-Exporting Countries provided $US 15.1 million, out of which $US 7.1 million was for road rehabilitation and construction and $US 8.0 million for railway rehabilitation. For these projects, co-financing was provided by the Saudi Fund for Development $US 3.0 million, Italy $US 28.0 million and IDA $US 4.6 million.

126. The United Nations Development Programme, in addition to the co-financing with the World Bank, has continued to finance the UNTACDA Co-ordination Unit in ECA and to provide financial support for the development of transport and communications in Africa within the framework of the Third Programming Cycle programme (1982-1986).

V. SPECIAL DEVELOPMENT, ISSUES AND PROBLEMS OF SIGNIFICANCE DURING THE YEAR

127. The year 1986 witnessed several significant developments that affected or are related to the implementation of the second phase Decade programme. The drought and the economic crisis which had preoccupied African countries and the international community in the previous years continued to be a major preoccupation during this year too.

128. In Africa's Priority Programme for Economic Recovery, transport and communications have been recognized as key elements. The emphasis on maintenance and rehabilitation, training and technical assistance, inter-State links, regional and subregional projects given in the second phase programme are now becoming a reality.

129. The General Assembly's Ad Hoc Committee on the Critical Economic Situation in Africa reported in 1986 that the development of transport and communications focused on maintenance and development of feeder, access and service roads; rehabilitation and maintenance of existing transport and communications modes; utilization of labour-intensive techniques in the construction and maintenance of transport infrastructure; and production of spare parts, overhaul, repairs and maintenance of public vehicles and equipment.

131. The fifth meeting of the Conference of African Ministers of Transport, Communications and Planning held in Harare in March 1986 endorsed the new concept of co-financing approach to raise funds for the Decade projects. The first co-financing meeting for projects in the Central African subregion to open land-locked countries of the Central African Republic and Chad i.e. for the trans-equatorial and trans-Cameroonian corridor, was held in Pointe-Noire, Congo, in November 1986.

132. The Fourth Programming Cycle (1987-1991) of the United Nations Development Programme has categorized transport and communications as one of the four priority areas for future development efforts in Africa. Financial resources are earmarked for projects under formulation in the area of human resource development, transport and communications industry development, and improvement of non-physical barriers in movement of goods within the region.

133. The Preferential Trade Area of Eastern and Southern African States (PTA) in 1986 had identified a number of projects in roads, railways and telecommunications which are of importance to trade. The PTA has submitted some of the identified projects to potential international financing institutions and donor countries. With regard to non-physical barriers to the movement of goods and persons, PTA member States have approved the Roads Customs Declaration Document (RCTD) and the PTA Third Party Motor Vehicle Insurance System covering the subregion.

Conclusion

134. While this report is not an evaluation of the second phase of the UNTACDA programme, it is apparent that while reasonable progress has been made, especially during the last two years in the implementation of the programme, much remains to be done. However, based on the information currently available and shown in this report, only 94 projects (9 per cent) and another 264 (26 per cent) have been completed and are under execution respectively. Given the fact that less than two years remain before the programme period runs out, only a very determined and sustained effort during the remaining period could enable an overall implementation of even 50 per cent of the programme.

UNITED NATIONS
ECONOMIC AND SOCIAL COUNCIL

Distr.: GENERAL
E/ECA/CM.13/24
20 January 1987
Original: ENGLISH

ECONOMIC COMMISSION FOR AFRICA

Eighth meeting of the Technical Preparatory Committee of the Whole

Addis Ababa, Ethiopia
13 - 20 April 1987

Item 9 of the provisional agenda*

ECONOMIC COMMISSION FOR AFRICA

Twenty-second session of the Commission/ thirteenth meeting of the Conference of Ministers

Addis Ababa, Ethiopia
23 - 27 April 1987

Item 6 of the provisional agenda**

LG/NAIROBI

REPORT OF THE ECA/UNDP/IBRD TRANSPORT STUDY FOR AFRICA, SOUTH OF THE SAHARA

* E/ECA/TPCW.8/1.
** E/ECA/CM.13/1.

87-397

TABLE OF CONTENTS

		Paragraphs	Page
A.	INTRODUCTION	1 - 2	1
B.	OBJECTIVES	3 - 6	1
C.	BACKGROUND AND JUSTIFICATION	7 -10	2
D.	PROGRAMME COMPONENTS	11-12	3
	1. Survey component	13-14	4
	2. Series of African Transport Policy Workshops	15-16	4
	3. Research studies	17	5
	(a) Transport and agricultural development	18	6
	(b) Transport and Taxation	19-20	6
	(c) Trucking costs	21	6
	(d) Transport and international trade	22-24	7
	4. Human resources development programme	25-26	7
E.	OUTPUTS OF THE PREPARATORY PHASE	27-30	8
F.	FUTURE ACTIONS AND FINANCING SUPPORT	31-32	8

A. INTRODUCTION

1. The World Bank, in collaboration with the Economic Commission for Africa (ECA), is embarking on a major review of transport policy in sub-Saharan Africa. This will require a close examination of available data sources, new empirical research, discussion and analysis concerning transport conditions, constraints and policies, and exchange of views among governments and other actors in the development process.

2. This document summarizes the approach proposed. It is intended to serve as a basis for further discussion, and as part of the process of defining a programme of action. UNDP has agreed to finance the preparatory phase of seven months which started in September 1986; the implementation phase, which it is hoped will be financed by UNDP, bilateral donors and the World Bank, is expected to begin early in 1987 and last about 18 months.

B. OBJECTIVES

3. The general objective is to help the transport development of sub-Saharan African countries and their subregions by furnishing empirically founded guidance for investment and the efficient use of existing capital and human resources. The programme is intended to respond to the concerns raised in the ECA review of the first phase of the United Nations Transport and Communications Decade in Africa, and by other regional or national organizations involved in transport development in the region, and to complement related studies and programmes by these organizations.

4. Specifically, the programme is intended to improve transportation policy by:

(a) More innovative response to rural transport demand through policy changes to encourage service provision;

(b) More efficient operation and maintenance of present transport infrastructure and equipment (especially ports and railways);

(c) Facilitation of international trade (all modes);

(d) Better pricing and taxation policies in all modes;

(e) Greater support for private sector transporters particularly truckers;

(f) Faster development of human resources in the transport sector.

5. To accomplish these objectives, it will be necessary to meet two secondary objectives:

(a) Identification and filling of gaps in the knowledge of the transport sector in sub-Saharan Africa; and

(b) Increasing the institutional capacity for data collection and analysis, as well as planning and management of the transport sector.

6. The approach envisaged for the programme includes surveys, workshops, studies and research. To provide guidance and co-ordination at the highest level an international advisory committee is established, with members representing high-level African transport policy-makers, United Nations specialized agencies and multinational and bilateral institutions concerned with financing transport development in Africa.

C. BACKGROUND AND JUSTIFICATION

7. The programme's origin lies in the experience of the World Bank in the transport sector in Africa and in the experience gathered in the First Phase of the United Nations Transport and Communications Decade in Africa (UNTACDA)[1/]. This experience points to critical impediments to the development of transport in sub-Saharan Africa.

8. The sources of those impediments are to be found partly in specific conditions characteristic of many African countries such as: low density of settlements; a relatively high number of land-locked countries; lack of industrialization; lack of financing; and scarcity of expert human resources. The recent adverse turn in economic conditions has compounded these problems, and reduced the value of the natural as well as the fiscal resources of many African States. Aggravating factors, in these circumstances, are inadequacies in the management of transport infrastructure and service enterprises and in the fiscal, pricing and regulatory regimes that govern transport activities, as well as a reduced flow of resources to the authorities that finance the infrastructure and facilities. A major consequence of these conditions is inadequate maintenance of transport infrastructures and equipment causing heavy losses of both assets and current resources. The end result is a low level of market integration, among countries and within many countries in sub-Saharan Africa, leading to surprisingly large differences between the prices of similar commodities in adjacent countries and subregions.

9. There appears to be a substantial consensus on the most critical problems facing transport in the region. Some relate to the transport requirements of long-term economic and social development, such as:

- The selection, design, and evaluation of infrastructure investment projects and service development (particularly in rural areas);

- Provision of transport in conditions of low density; and

- Transport requirements for the development of Africa's trade.

10. Other critical problems involve the efficient use of resources, and call for policies and measures which should yield returns in both the short-term and the long-term. These problems are:

1/ United Nations, United Nations Transport and Communications Decade in Africa, 1978-1988. Volume III, Approved Programme of Action for the Second Phase, 1984-1988. Analysis and Presentation of the Transport Sector Programme. (E/ECA/TCD/16) chapters 2 and 9.

- Taxation and cost recovery;

- Measures to relieve the constraints on full utilization of available equipment;

- The division of activities and responsibilities between public and private sectors;

- The lowering of non-physical impediments to the development of transport in international trade; and

- Raising the productivity of available human resources.

D. PROGRAMME COMPONENTS

11. The programme is expected to consist of four elements as follows:

(a) Surveys of data sources in sub-Saharan African countries, designed to develop a consistent transport data base;

(b) A series of workshops, with appropriate background studies, designed to present known areas of policy options for discussion and use by African policy-makers and operational managers;

(c) A set of research studies, designed to strengthen policy areas where the factual basis for policy is not yet established;

(d) A manpower/human resource development programme.

Each of these components is described in more detail in paras. 12 to 29 below. It should be noted at the outset, however, that the selection of the components was guided by certain principles, for example:

(a) That the programme of components should not duplicate but rather complement the work being carried out by other agencies or institutions;

(b) That the problems of transport are linked to the other sectors of the economy for which transport is a service, and this may require a multi-disciplinary approach;

(c) That the programme be planned and executed in collaboration with the United Nations specialized agencies, African Development Bank (ADB), Southern African Transport Co-ordination Committee (SATCC), and other regional and international organizations, including bilateral donors interested in transport.

12. The details of the four components were being worked out in the programme's preparatory phase. The following description of final outputs should therefore be regarded as preliminary, and subject to refinement or shifts in emphasis.

1. Survey component

13. The survey component will be designed to produce a report on the state of transport in sub-Saharan Africa - describing the current situation, identifying trends, and pointing out problem areas which warrant special attention from governments and the international community. At the same time, its preparation will help governments improve their own data collection procedures, and serve as a prototype for perhaps every five or seven years' future periodic reassessments.

14. While the survey component will have an independent existence and purpose, it will obviously be essential to link the survey activities closely with the various research undertakings which are described later. A good deal of the work will be based on existing materials, available principally in the World Bank, IMF, ECA and ADB, and supplementary information will be obtained, as necessary, by direct enquiry from African Governments, intergovernmental organizations, and field work. The six main areas to be covered by surveys are likely to be:

(a) Extent and state of transport infrastructure and equipment: roads and road vehicle fleets; railways and rolling stock; shipping and inland water fleets including maritime/inland water ports; and airports and aircraft;

(b) Traffic flows: estimated annual t/km by mode, urban and other; passengers and passenger/km by mode; tonnage of freight carried by mode; and port throughput (maritime and inland water);

(c) Transport costs: average costs for transport of freight and passengers per ton km or pass km, by mode, internal to each country, from export areas to neighbouring country market centres, and from export areas to the nearest ports;

(d) Transport investment, from 1970 to present: public sector (wide country coverage); public and private sector investment in equipment (sample); investment policy, planned and actual (sample); sources of capital (sample);

(e) Allocations to infrastructure and services, from 1970 to present: recurrent capital and expenditure in relation to total government expenditure and fiscal balance; revenues raised from transport (sample of countries);

(f) Survey of transport policy: system of regulation; public sector share in transport service provision; financial results of major sectors; recent statement of transport policy affecting investment, services, and financing (sample).

2. Series of African transport policy workshops

15. A series of five to eight workshops will be conducted to encourage discussion among African policy-makers of alternative transport policies and to present case studies of their effects. Participants would be senior level African executives who would be selected according to the workshop subject. Background papers and studies would be prepared emphasizing the considerations which appear to be important in African settings. Transfer of technology from more developed countries, and successful adaptations of technology in sub-Saharan Africa would also be examined. Following each workshop a summary of the proceedings together with a statement of policy recommendations would be issued.

16. Topics being considered for workshops are those where there is need for dissemination of relatively well-known data or policy impacts; for cross-fertilization of ideas on policy options among African decision-makers; and for intermediate level investigations, beyond simple data gathering but less than detailed research. Workshop topics now under active consideration include the following:

(a) Development of Local Construction Industries;

(b) Road Maintenance Management;

(c) Design of Low Volume Roads;

(d) Port and Shipping Management;

(e) Railway Efficiency Improvement;

(f) Development of Regional Civil Aviation;

(g) Inter-Modal Transport Development;

(h) Facilitation of International Transport;

(i) Constraints on Intra-African Trade;

(j) Transport Financing and Cost Recovery;

(k) Management of Government Transport Enterprises;

(l) Planning Transport for Emergencies;

(m) Manpower Development in the Transport Sector.

The final list of workshops will be drawn up jointly between the World Bank and ECA with input from bilateral donors during the preparatory phase.

3. Research studies

17. After an extensive review, the following four areas have been selected as requiring research in greater depth than the workshop topics suggested above:

(a) Transport and agricultural development;

(b) Transport and taxation;

(c) Trucking costs;

(d) Transport and international trade.

These four areas are described briefly in paragraphs 17 to 23 below.

(a) Transport and agricultural development

18. The various aspects of transport interaction with agriculture in sub-Saharan Africa are not well understood, as evidenced by inappropriate feeder road location and design, and inadequate transport services and vehicle fleets accompanying infrastructure investment. In order to design more suitable infrastructure and determine how to relieve constraints on transport services and equipment, more research is required concerning local response (and the lags in response), to:

(i) New infrastructure in areas severely lacking in transport infrastructure (disenclavement);

(ii) Provision of superior substitutes for transport services and/or infrastructure;

(iii) Provision of improved transport services and infrastructure under different systems of pricing, wages, land ownership, import policies, and foreign exchange controls;

(iv) Local participation in road construction and maintenance.

Research sites would be selected to reflect different physical/environmental features and different socio-cultural farming systems which may have affected the impact of past investments.

(b) Transport and taxation

19. Most countries in sub-Saharan Africa have taxes on transport which arise out of considerations other than transport efficiency (e.g., raising revenues) which vary in their application to different modes, especially road and rail. These are further complicated by subsidies to public or parapublic operating agencies which lead to distortions in investment and allocation of traffic from lower cost to higher cost modes.

20. Topics requiring empirical investigation include optimal levels and optimal differentials (between modes, services) and mix of taxes, over and above rational road user charges; the scope for correcting distortions elsewhere through taxation and subsidization; tax avoidance (through substitutions between vehicles and modes) and transit taxes. The study would make use of current World Bank research on road user charges. The scope of exploration will be determined by data resources, and the scope for supplementing them by simulation and sensitivity analysis.

(c) Trucking costs

21. Trucking costs appear to be relatively high in many sub-Saharan countries, with consequent effects on costs of imports and exports, and on international trade potential, especially for land-locked countries. Attempts to regulate traffic rates for trucking have not solved the porblem, and policies on import restrictions have made it worse in some cases. Research is needed to identify:

(a) The relative size of policy effects on transport costs, and their impact on the economy;

(b) Possible policy changes that would affect trucking costs.

The study will analyse the effects on trucking costs of the organization of trucking industry and of levels of vehicle utilization associated with the extent of state-owned fleets, import regimes and the system of transport regulations. Field investigation of the determinants of major inter-country differences in the relative cost of trucking would be carried out in about six countries.

(d) Transport and international trade

22. Trade flows among sub-Saharan African States and among African subregions are small and highly variable. To the extent that these flows are restricted by transport constraints, border procedures and transit policies, there is a cost to the countries involved. The level of this cost and the effects on countries' economic structures are unknown and research is needed to determine if they are significant enough to support policy changes in this area.

23. This research would examine the components of transport and transit costs for specified flows of exports and imports, comparing those from African origins with those of similar goods from other origins, and investigate costs resulting from regulations. It will cover all transport modes. It will also investigate precedents and possibilities for joint economic action by land-locked and transit countries, and will be conducted in close consultation with the authorities and industries in a sample of sub-Saharan countries. It will build on, and complement, the work and experience on developing trans trade of the United Nations Economic Commission for Africa, the Inter-State Facilitation Commission established by the Governing Council of the Trans-East African Highway Authority and UNCTAD.

24. The studies and research outlined above will all be undertaken in collaboration with qualified institutions or individuals in the countries in which empirical work is to be carried out, and with appropriate regional and subregional organizations.

4. Human resources development programme

25. The remaining area of substantial policy interest which has been identified is the development of human resources for the transport sector. It is clear that a strategy for managing human resource constraints is needed in sub-Saharan transport. The questions of optimal use of technical assistance resources, strategies for upgrading local institutions, and human resource management in the transport sector are major issues.

26. Substantial effort is needed to continue and to supplement ECA's work (Survey of manpower and training needs in transport, training needs and facilities for ports of Eastern and Southern Africa; and current levels of skills, training needs, and training facilities in inland water transport), and work by ILO and IMO. The next step is to estimate manpower requirements, assess available human resources, management practices and options (with special attention to career planning and incentives) and determine optimum use of expatriate technical assistance in a training context. Broad strategies are needed for combining local and expatriate resources and for developing over time an economically adequate supply of skills from regional and national institutions. The intention is to design a combined programme of surveys, consultations, and pilot activities in a selected set of countries as the basis for proposals of wider applications subsequently.

E. OUTPUTS OF THE PREPARATORY PHASE

(a) Surveys

27. The preparatory phase of this programme will identify the types of data to be collected in surveys, the institutions and team leaders to be involved, and draw up an inventory of available data and an assessment of its quality. Specifications will be drawn up and tested for each type of data, and available national and international resources will be identified.

(b) Workshops

28. The preparatory phase will also refine the topics selected for the workshops and determine the appropriate level of background studies and preparation effort for the issue papers which should precede each workshop. Terms of reference will be drawn up for studies and a selection of case study countries most suitable for each topic will be made. A timetable and programme will be developed for each workshop.

(c) Research

29. For the four research studies, the specific policy issues which require a research effort will be identified. Specific research sites will be selected and a research programme drawn up for each site. A highly qualified principal investigator will prepare each research programme.

(d) Human resources development

30. The human resources development programme will be designed in co-ordination with the countries involved. Proposals will be put forward for pilot programmes in selected countries, with the understanding that such programmes will be carefully monitored and changed if necessary during the implementation phase.

F. FUTURE ACTIONS AND FINANCING SUPPORT

31. It is intended as an indirect but important result of the programme that African research institutions and transportation planning and management institutions, both national and regional, would be strengthened to carry out continuing data collection, analysis, planning and research.

32. It is the intention of ECA, UNDP, and the World Bank Transportation Department to pursue the objective of advancing the transport development of sub-Saharan Africa, in the context of the region's specific and diverse physical, economic and social conditions. This programme will complement and refine the experience gathered and the directions pointed in the course of the evaluation of the United Nations Transport and Communications Decade in Africa. The final proposals for studies and actions which emerge from the preparatory phase will be presented to the UNDP for financial support. The World Bank will also seek parallel support from bilateral donors for the implementation phase.